

INDUSTRY RESEARCH AND
ENERGY DEVELOPMENT

Mr. Peters: Could I ask if the line that was originally the price even point where the Dominion Coal Board considered subventions advantageous going westward has changed because of the conditions?

EVIDENCE

(Recorded by Electronic Apparatus)

THURSDAY, June 16, 1966.

● (1.00 p.m.)

The CHAIRMAN: Gentlemen, I will call the meeting to order. Today we have two votes with which to deal. First of all we will deal with the Dominion Coal Board. We have with us today the Chairman of the Dominion Coal Board, the Hon. J. Watson MacNaught who, along with his officials, is here to answer questions pertaining to this vote. If we conclude our discussions of the Dominion Coal Board we will then proceed to the National Energy Board.

I might say at this point some of the officials we have with us today have an appointment at 2.20 so, if possible, in order to convenience them, we will adjourn at 2.15.

Department of Mines and Technical Surveys

Dominion Coal Board

100 Administration and investigations of the Dominion Coal Board.

\$185,400.

Are there any questions on this vote?

Mr. PETERS: Would the Chairman care to make a statement on the operation of the Dominion Coal Board? I would like to welcome our former colleague here today.

The CHAIRMAN: Mr. Peters, perhaps we could ask Mr. MacNaught to say a few words on this but I might say that we did adopt the procedure throughout the study of the estimates that when we did call the votes we did not ask for a statement from the person concerned for various reasons. This was decided upon and, therefore, I did not indicate to either of these gentlemen that they would be asked to make a statement. In other cases questions were asked that generally satisfied the members. Would you like to say anything on this, Mr. MacNaught. The understanding was there would not be an opening statement made, but maybe there are one or two things you would like to say about it.

Hon. J. WATSON MACNAUGHT Q.C., (Chairman, Dominion Coal Board): Mr. Chairman, as you stated, I prepared no statement. I might say, however, that for the year just passed there has been an increased production of coal in Canada and also an increased consumption of coal. Also, there has been an increase in the imports of bituminous coal into Canada. Anthracite has dropped off slightly, but only very slightly. The subventions continue to rise. This, I think, is inevitable; when we understand that the costs of production are increasing the subventions must also increase.

We are now also equating against residual oil which has meant a substantial increase in the subventions, particularly on the east coast where residual oil is very competitive with coal.